



United States  
of America

# Congressional Record

PROCEEDINGS AND DEBATES OF THE 106<sup>th</sup> CONGRESS, SECOND SESSION

Vol. 146

WASHINGTON, MONDAY, JANUARY 31, 2000

No. 5

## House of Representatives

The House met at 12:30 p.m. and was called to order by the Speaker pro tempore (Mr. PETRI).

### DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,  
January 31, 2000.

I hereby appoint the Honorable THOMAS E. PETRI to act as Speaker pro tempore on this day.

J. DENNIS HASTERT,  
*Speaker of the House of Representatives.*

### MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Edwin Thomas, one of his secretaries.

### MORNING HOUR DEBATES

The SPEAKER pro tempore (Mr. PETRI). Pursuant to the order of the House of January 19, 1999, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning hour debates. The Chair will alternate recognition between the parties, with each party limited to 30 minutes, and each Member, except the majority leader, the minority leader, or the minority whip, limited to 5 minutes.

The Chair recognizes the gentleman from Florida (Mr. STEARNS) for 5 minutes.

### U.S.-CHINA TRADE AGREEMENT

Mr. STEARNS. Mr. Speaker, as we begin the next session of the 106th Congress, we are going to engage in another heated discussion regarding normal trade relations with China.

In exchange for attaining membership in the World Trade Organization,

China has made a number of commitments in regard to its trade policy. Among those commitments are improved market access, tariff reductions, elimination of nontariff quotas, open service sectors and elimination of export subsidies.

While many people are celebrating this alleged win for American businesses, I come this morning to question the actual benefit for the United States of America. China is the fourth largest supplier of U.S. imports and the thirteenth largest buyer of U.S. exports. In addition, the U.S. trade deficit with China has risen from \$6.2 billion in 1989 to \$57 billion in 1998.

Furthermore, China has a dismal record of complying with prior international agreements, and I think this is an important point. A blatant example concerns intellectual property rights.

The United States Trade Representative can specify under the 1974 Trade Act which countries are violators. They are the "Special 301 Priority Foreign Countries," sort of a designation and those countries that violate U.S. intellectual property rights are so designated. So let us look at the list when it comes to China.

In 1991, China was named a Special 301 violator for intellectual property rights. They sat down with them. They reached an agreement a year later and China said: We will agree to strengthen our intellectual property laws and improve protection for U.S. products in our country. But did they?

In 1994, the United States Trade Representative again identified China as a violator. At this time, many factories in China were pirating compact disks while China trade laws restricted U.S. market access. So an agreement was reached a year later again with China to stem this piracy and enforce the intellectual property rules.

But again in 1996, another year later, the USTR, the United States Trade

Representative, designated China as a violator again for not complying. And only when they were threatened with a \$2 billion sanction did China begin to comply.

So China has shown an ability to exploit loopholes in agreements regarding the transfer of military technology. In 1992, China agreed to abide by the rules of the Missile Technology Control Regime and then turned and sold ballistic missile components to Pakistan. Though no technical violation was made, the transfer, of course, was contrary to the spirit of the agreement. China has also aided Pakistan, Iran, and Algeria in the area of nuclear technology and equipment.

Another area of uneasiness is that China has made no attempt to conceal its aggressiveness dealing with military modernization. In addition to arms purchases, such as the Russian built SU-27 fighter, which holds near parity with our F-15 fighter, China has begun construction of two short-range missile bases which now can threaten Taiwan.

Mr. Speaker, we also need not forget the enormous damage called by China's espionage activities resulting in the theft of U.S. thermonuclear design information. The Cox report concluded that elements of this stolen information would help China in building its next generation of mobile ICBMs. In fact, the Washington Times reported on December 6 last year that China is working on a new strategic missile submarine containing smaller nuclear warheads similar to American weapons. Upon completion, China will have the ability to strike U.S. forces anywhere it chooses.

Mr. Speaker, I think the evidence is clear: this country is aggressively expanding its military complex, while at the same time blatantly disregarding international agreements and exploiting loopholes in others.

China has a history of torturing some of its religious leaders and arresting

This symbol represents the time of day during the House proceedings, e.g., 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.



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